

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1895 - SB 1861

February 19, 2022

SUMMARY OF BILL: Requires the Commissioner of the Department of Education (DOE) to withhold a portion of the state education finance funds that a local education agency (LEA) is otherwise eligible to receive if the LEA fails to comply with the requirements for determining a student's gender for purposes of participation in a public middle school or high school interscholastic athletic activity. Requires the State Board of Education (SBE) to promulgate rules for compliance and establish a procedure for how a portion of the state education finance funds are withheld.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation requires the Commissioner of DOE to withhold state education finance funds from an LEA that fails to comply with Tenn. Code Ann. § 49-6-310, which requires a student's gender for purposes of participation in a public middle school or high school interscholastic athletic activity or event to be determined by the student's sex at the time of the student's birth, as indicated on the student's original birth certificate.
- Tennessee Code Annotated § 49-3-353 authorizes the Commissioner of DOE to withhold a portion or all of the Tennessee Basic Education Program (BEP) funds that a local public school system is otherwise eligible to receive if the system fails to meet the conditions and requirements for receiving BEP funds.
- Because the Commissioner of DOE is already authorized to withhold funds from an LEA, the proposed legislation will have no effect on DOE.
- LEAs will adopt and enforce policies to ensure compliance with Tenn. Code Ann. § 49-6-310 and will not lose BEP funding.
- SBE will be able to promulgate rules and to establish a procedure for how a portion of the state education finance funds are withheld within existing resources and during the normal course of business.
- Any fiscal impact is estimated to be not significant.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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